## **BEFORE**

## THE PUBLIC SERVICE COMMISSION OF

## SOUTH CAROLINA

DOCKET NO. 1999-476-E - ORDER NO. 1999-889

**DECEMBER 20, 1999** 

IN RE: Petition of Duke Power Company for

ORDER APPROVING

Approval of the Transfer of Property in North

TRANSFER OF

Carolina.

**PROPERTY** 

This matter comes before the Public Service Commission of South Carolina (the Commission) on the November 14, 1999 Petition of Duke Power, a division of Duke Energy Corporation (Duke) for approval of the transfer of three parcels of real estate, which are fully described in the Petition, and are located in the Duke Power service area in North Carolina. The Petition is made pursuant to S.C. Code Ann. Section 58-27-1300 (Supp. 1998). This statute leaves a hearing to the discretion of the Commission, but requires that a copy of the Petition be served on the Consumer Advocate for the State of South Carolina (the Consumer Advocate). The Consumer Advocate has reviewed the proposal, and has voiced no objection to it.

Duke notes that the three parcels in question are not required for current utility operations. The contracted price for sale of the property is \$23,291,596.92. The Company believes that this contracted sales price is equal to or greater than the appraised fair market value of the property as indicated by an appraisal dated April 16, 1998. We have examined the appraisal, and agree that the price is well above the market value of the

property. Duke further states that the property was offered for sale to qualified buyers and the sale is a bona fide sale.

Duke finally notes that the original cost of the parcel was credited as a reduction of the amount carried upon the books of Duke. The difference between the sales price and the original cost of the parcels will be applied to Account 421.10, Gain on Disposition of Property.

We have examined this matter, and hold that the Petition should be granted as filed. The Consumer Advocate has no objection to the sale of the property. Also, the contracted price is well above the appraised price. Lastly, it appears that Duke intends to apply the proper accounting treatment to the sale. The sale is approved.

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This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

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ATTEST:

(SEAL)